

# ECONOMIC COUNCIL LETTER

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## Shall Alien Minds Determine America's Future?

**P**RESIDENT ROOSEVELT has suddenly passed from the scene. In the presence of death, all differences of viewpoint and philosophy are forgotten. His administration was notable in many ways. How history will appraise him will depend perhaps on the proved wisdom or unwisdom of his measures, perhaps on the ideology of the historians.

To a certain extent the death of Mr. Roosevelt and the accession of Mr. Truman mark the end of an epoch. The viewpoint of an Eastern man with the background of Groton and Harvard and a silver spoon, can hardly be the same as that of one who is bone and sinew of the Middle West and came up the hard farm way.

The people of the country have for eighty years been not too friendly to the candidacies of presidential aspirants from the East. No Republican candidate living east of the Alleghanies has ever been elected President in the first instance, Arthur, Theodore Roosevelt and Coolidge having succeeded from the Vice-Presidency.

It is to be hoped that the new President will set a trend away from Mr. Roosevelt's more extreme policies—a trend back toward what we have always known as the American way of life. But, at the moment, we cannot be sure; we will know more about it six months hence. Mr. Truman has our earnest good wishes. May the Lord bless him and guide him in right ways!

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Never in our history has it been more important for Americans to think clearly. The question of whether the United States will continue toward national Socialism will probably be settled in the next four years—possibly in the next 24 months.

The San Francisco Conference in which vitally

important decisions can be made is just beginning.

Pending before Congress are such proposals as Bretton Woods, Dumbarton Oaks, and the several other agreements or treaties negotiated the past year or two by Mr. Roosevelt's administration. Adoption of them without important modification would so enmesh us in the affairs of other nations, every one of them less devoted to genuine freedom than ourselves, that nothing short of an upheaval would ever extricate us. And domestically there is the question whether we are going to retain all existing New Deal measures—and perhaps add others; or to reject the newer proposals ("cradle-to-grave security," "60 million jobs—or else," etc.) and modify or eliminate some of the more drastic laws we now have.

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It is hard to base a prediction for the future on past history, because a new factor has entered in. The art of modern propaganda has been developed. It has been clever, thorough, ruthless, and often untruthful. Relatively few Americans understand either its source or its extent and potency.

Every day we meet business and professional men of standing in their fields, as well as men and women highly regarded for their generous attitude toward their fellow men, who simply do not know what it is all about. They do not realize that many of the very views they express have been formulated by cunning men and women; and that through New Deal control of radio and New Deal influence among most of the country's writers, these ideas have been implanted in their minds so cleverly that they never doubt they are their own. They fail to note that the minds of the Germans were molded by Hitler in precisely similar ways.

They do not know that, with rare exceptions,



many of the country's best writers simply cannot get magazine articles published if they express views contrary to the New Deal. They do not know that, while in 1944 Martin Dies and his friends could not find a publisher courageous enough to print his book telling the truth about the New Deal and its communistic supporters, the counters of our bookshops have groaned under the weight of books extolling the New Deal, Russian Communism, and pretty much everything Russia has ever done. For fear of Washington retribution, the American people have been denied, in true totalitarian style, the right to know both sides.

One book, written by an Armenian immigrant with a communistic background, and which scurrilously and falsely attacked scores of patriotic Americans for the sole reason they opposed the New Deal and Communist Russia, sold more than 600,000 copies. We listened several times to grave conversations in well known New York clubs between supposedly intelligent men who had been completely fooled by this book, which was, of course, a mere document in the 1944 political campaign.

This propaganda is alien in origin and conception. It stems directly from Eastern and Central Europe. It is designed to undermine and destroy America; and it is having that effect.

It follows the best techniques of Hitler and Mussolini. John T. Flynn, in his book, "As We Go Marching," has traced the step-by-step development of Fascism in Italy and Nazism in Germany. In both cases the corner-stone of those edifices was deficit financing. And in tracing the growth of our own totalitarian government in Washington he has shown how closely it has paralleled these two European dictatorships. Austrian born Friedrich Hayek, in his "The Road to Serfdom" (reviewed in Council Review of Books for October, 1944), has written in the same vein.

The fact that American Communists and their fellow-travellers have been supporters of our American Fascism need surprise no one. Their hope has been that, following the analogy in Italy and Germany, the next step after American Fascism will be American Communism.

In passing, it is worth noting some of those alien-minded persons who, whether in public office or outside, have been among the leading molders of public opinion in the United States in recent years. Some of them, for reasons best known to themselves, have changed their names. Some are Communists or fellow-travellers; and nearly all are more or less tolerant of Communism. Many

are artists in the technique of "smear." Few, if any, give more than lip service to traditional American principles. Their writings are welcomed by publishers and reviewers; they have the freedom of the radio, while many advocates of the American system are refused radio time.

Here are a few of these persons:

Sholem Asch	Philip Adler
Abba Hillel Silver	Max Lerner
Stephen S. Wise	Abram L. Sachar
Dr. Samuel Margoshes	Samuel Dickstein
Barnett R. Brickner	Emanuel Celler
Harry Hopkins	Adolph Sabath
Felix Frankfurter	Julius Amberg
Harry D. White	Richard H. Gutstadt
Gregory Zilboorg	Louis Lipsky
Henry Monsky	Fannie Hurst
Henry Morgenthau, Jr.	Samuel Novick
David Niles	Leopold Stokowski
Sidney Weinberg	Alvin H. Hansen
Anna Rosenberg	Rose Schneiderman
Benjamin Cohen	George Marshall
Mrs. Eveline Burns	Sigmund Livingston
David Saposs	J. I. Fishbein
Robert R. Nathan	Jas. A. Wechsler
Chas. David Ginsburg	V. J. Jerome
Albert D. Lasker	Charles Recht
John Garfield	Jos. R. Brodsky
Edw. G. Robinson	David E. Lilienthal
Wm. M. Leiserson	Bennett Cerf
Barnet Hodes	Arthur Szyk
James P. Warburg	Jos. Rosenfarb
Paul M. Warburg	Jesse L. Laski
I. F. Stone	Albert Einstein
Melvin Douglas	Lillian Herstein
Mordecai Ezekiel	Pearl Hart
Henry A. Wallace	Harry Bridges
Leo Lerner	Harry M. Fisher
George Seldes	Wm. S. Gailmor
Albert E. Kahn	Wm. Gropper
Alvarez del Vayo	Paul Weisenfreund Muni
Thomas Mann	A. N. Spanel
Nathan Straus	A. A. Heller
Joseph Borkin	Ben Hecht
Samuel Grafton	Gabriel Heatter
Walter Winchell	Johannes Steel
Leonard Lyons	Vera Michelis Dean

Several aliens, like Sir Bernard Pares, have taken up temporary residence here, apparently for the purpose of indoctrinating our people. John Maynard Keynes is the actual author of our 12-year policy of deficit financing and the principal inspiration of the Bretton Woods agreement. Harold Laski has had a profound influence on the Roosevelt administration.

We question at this time neither the ability or sincerity of any of the above. But they are not believers in the American way of life. They, and



others like-minded, dominate our public opinion. The independent American Republic will be destroyed if their domination continues.

Two characteristic current propaganda activities deserve mention. The International Latex Corporation (Abraham N. Spanel, President) has for many months been publishing in many American newspapers quarter-page advertisements urging New Deal policies, national and international. Thus the *New York Herald-Tribune* of April 21 contained such an advertisement endorsing Bretton Woods. Over the company's name at the end of each advertisement is the legend, "Presented as a public service." The Blue Network (WJZ and affiliated stations) carries a news program at 11:05 o'clock five nights a week under the sponsorship of the Electronic Corporation, of which Russian-born Samuel Novick is President. The broadcaster is William Gailmor who changed his name from William Margolies under which he pleaded guilty of grand larceny and is now out on parole. He has a communistic record.

Considerable inquiry reveals that the business of both the International Latex Corporation and the Electronic Corporation is so modest as to suggest their chief activity may be the propaganda they are carrying on, if, indeed, they were not organized for this purpose.

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America has two great needs today.

The first is to return to the American way of life. If we do not return to the American way of life, American liberty will have been lost. "What can it profit a man if he gain the whole world and lose his own soul?" What can it profit America if it set up a world organization in which its identity and independence are lost or even impaired, with the further result that in order to do our part in such an organization we must continue for the indefinite future to be a regimented people?

Of course the current propaganda has it that America cannot return to the American way of life. We are told that, having achieved total employment in war-time (under coercion, of course), we can likewise achieve it in peace-time. We can. But only if the State tells every man where to work, for how long, and for how much; how he may spend his money, and where; only if we Americans permit the State to plan and regulate our lives. We can do this—but only if we continue deficit financing. But in doing it, we will have turned our back on all American experience. We will have deserted the principles that made Amer-

ica great and rendered her able to subsidize her allies and thus win the war. We will have rejected America and will have embraced the very Fascism we say we hate.

Those of our boys overseas who come home will find the America they were told they were fighting for has irretrievably gone.

It is of more importance to the 130 million American people that we return to the liberty we have always known—than it is even to achieve a world organization.

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America's second need is to try to build a kind of world organization that will do something to prevent war in the future. But one grave danger of such a world organization is that we shall place too much reliance on it; and another is that, if controlled by Roosevelts, Stalins or Churchills, it will tend to become a totalitarian superstate, just as the United States has tended the past 12 years to centralize all power in Washington.

We believe the greatest factor for peace is the existence of a strong, independent, law-abiding nation, unwilling to make war against any of its neighbors, and prepared to defend itself against all comers. The example of one such nation (and the United States during much of its history has been such a nation) will be far more potent than treaties or agreements, no matter how high-sounding their phrases. *Just one* such powerful nation possessed of the complete will for peace can go far in maintaining the peace of the entire world. If the United States, Britain and Russia *all* determine upon peace, then there will be peace, unless other nations believe that before reaching that determination one or more of them have first despoiled other countries, which Russia has actually done.

So, it is an open question whether the existence of an elaborate world organization, constantly tempted to mess into all sorts of matters, will not tend to increase rather than decrease the chance of war. We know this thought flies in the face of the propaganda barrage we live under today. But our problem is, not to accept highly propagandized ideas, but to *think*.

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Several fallacies of the propagandists are widely and unthinkingly accepted. One of these is the old saw that after the last war the United States "turned her back on Europe"—that if the United States had entered the League of Nations there would have been no more war. But, we did not



turn our back on Europe. It was the willfulness of President Wilson that prevented our entering the League of Nations. Even Sir Edward Grey, British Foreign Minister, in 1919 expressed the opinion that the reservations asked by the United States Senate were reasonable and should have been approved. No nation in the world did more to preserve the peace of Europe after 1919 than the United States. We scrapped nearly a million tons of our war vessels—though other nations scrapped few if any; we loaned Europe \$6,000,000,000 for rebuilding—little of which was ever repaid; we took part in numerous international conferences; we led in pushing the Kellogg-Briand pacts to outlaw war.

What brought on this war was not our staying out of the League of Nations, but rather the fact that Britain and France refused to lift a finger to stop Hitler when he made his first aggression by moving into the Rhineland in 1936. Though they were, of all parties to the Versailles Treaty, the most vitally concerned, yet, owing to Red pacifist propaganda, they did not have the will to enforce their own treaty.

Another fallacy, constantly reiterated, is that economic inequalities in different parts of the world make for war. There is little in history to back this. If this argument had serious weight, why did not other nations far more powerful militarily than the United States make war on us when we were overtaking and passing them in the standard of living? Is it not possible the idea has its source in the have-not nations who have long had envious eyes on the United States and wish to force us to divide our living with them?

Then there is the "one world" argument—the theory that in the future it will be impossible to maintain peace unless all nations are welded together in one organization. The speed of communication, especially by airplane, is assigned as the reason for this. But, on analysis, this argument also falls down. There has been peace between the United States and Canada for a hundred and thirty years; and the reason is that there has been a will to peace. At least five countries in Europe—Spain, Switzerland, Sweden, Turkey (till very recently) and Ireland—have kept out of even this present war; and, similarly, the reason has been the will to keep out.

Lastly, there is the fallacy that we cannot have prosperity in the United States unless all other countries have comparable prosperity. No good reason is given why this should be so; and all

human experience indicates it is *not* so. As a matter of fact, the history of the past hundred years indicates the precise opposite, so far as the United States is concerned—namely, that the rest of the world can become more prosperous if the United States is prosperous. For the United States, by reason of achieving general liberty for its people, released energies of the body, mind and spirit which have placed us far in the lead of all nations in the manner of our life and living. Practically all the world has sought to imitate us, but most of them have failed because they did not understand that our cornerstone was individual liberty. Testimony before Congress recently showed that we are far ahead of the Russians in the productive power of the individual; and that even in Britain it takes, on the average, the work of two and three-tenths men to produce what one man produces in the United States.

The proper course for the United States is to keep the sovereignty and independence of her nation and her people. For only so can she continue in the future to be the example that has inspired the whole world in the past. And we can do no better than set an example.

After the war all Europe and Asia will be poverty-stricken. American wealth, imagination and creative ability—provided they are preserved—will alone be able to help those countries. For us to enter into agreements with other nations that will give them the first call on our wealth and a large control over our affairs would, for us Americans, be the height of folly. To adopt the Bretton Woods agreement, for instance, by which, in effect, other countries may vote taxes on the American people by assessments against our resources, would suggest that both our love of independence and our sanity had departed. We would have lied to our fighting men to whom we have promised a better future.

We know we can help the people of other countries, if only we are free to help them. But to get down to their level, and to surrender the freedom of our people, would be practically to insure that our ability to help them in the future would be cramped if not destroyed. We would have sold ourselves and our descendants into bondage to them.

*Merwin K. Hart*

**President**

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